

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

**WS-03478A**

**Far West Water & Sewer, Inc.**  
**13157 E. 44<sup>th</sup> St.**  
**Yuma, Az. 85367**  
**(Water)**

RECEIVED

JUN 04 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

6801

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> _____ Far West Water & Sewer, Inc. (Water)_____		
Mailing Address _____ 13157 E. 44 <sup>th</sup> Street _____		
(Street)		
Yuma	Az.	85367
(City)	(State)	(Zip)
928-342-1238	928-342-7108	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Same		
Local Office Mailing Address _____		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> _____		Paula Capestro	President
(Name)	(Title)		
13157 E 44 <sup>th</sup> Street	Yuma	Az.	85367
(Street)	(City)	(State)	(Zip)
928-342-1238	928-342-7108		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
pcapestro@msn.com			
Email Address _____			
Paula Capestro			
<b>On Site Manager:</b> _____			
(Name)	(Title)		
13157 E 44 <sup>th</sup> Street	Yuma	Az.	85367
(Street)	(City)	(State)	(Zip)
928-342-1238	928-342-7108		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address: pcapestro@msn.com			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** \_\_\_\_\_ Lloyd Sunderman

1490 S. 5<sup>th</sup> Avenue

(Name)  
Yuma

AZ

85364

(Street)

928-782-5786

(City)

928-783-8251

(State)

(Zip)

928-502-2236

Telephone No. (Include Area Code)

Norman D. James

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_

3003 N. Central Avenue

(Name)  
Phoenix

AZ

85012-2913

(Street)

602-916-5000

(City)

602-916-5546

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,626		1,626
302	Franchises	14,501		14,501
303	Land and Land Rights	485,555		485,555
304	Structures and Improvements	559,871	180,136	379,735
307	Wells and Springs	569,272	282,054	287,218
311	Pumping Equipment	1,630,509	1,297,185	333,324
320	Water Treatment Equipment	6,571,497	2,413,121	4,158,376
330	Distribution Reservoirs and Standpipes	1,057,654	524,222	533,432
331	Transmission and Distribution Mains	14,198,213	3,029,338	11,168,875
333	Services	612,469	177,482	434,987
334	Meters and Meter Installations	584,306	339,619	244,687
335	Hydrants	335,687	77,636	258,051
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	333,094	246,359	86,735
341	Transportation Equipment	162,883	171,302	(8,419)
343	Tools, Shop and Garage Equipment	11,600	9,995	1,605
344	Laboratory Equipment	22,102	19,904	2,198
345	Power Operated Equipment	67,514	81,281	(13,767)
346	Communication Equipment	2,028	2,028	
347	Miscellaneous Equipment	156,584	146,706	9,878
348	Other Tangible Plant	1		1
	<b>TOTALS</b>	<b>27,376,966</b>	<b>8,998,368</b>	<b>18,378,598</b>

This amount goes on the Balance Sheet Acct. No. 108 

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization	1,626	0	0
302	Franchises	14,501	0	0
303	Land and Land Rights	485,555	0	
304	Structures and Improvements	559,871	5.00	26,207
307	Wells and Springs	569,272	5.00	28,464
311	Pumping Equipment	1,630,509	14.29	143,214
320	Water Treatment Equipment	6,571,497	5.00	328,458
330	Distribution Reservoirs and Standpipes	1,057,654	5.00	52,883
331	Transmission and Distribution Mains	14,198,213	2.00	274,963
333	Services	612,469	2.00	12,237
334	Meters and Meter Installations	584,306	14.29	62,116
335	Hydrants	335,687	2.00	6,621
336	Backflow Prevention Devices			
340	Office Furniture and Equipment - Computers	316,285	20.00	11,435
340	Office Furniture and Equipment	16,809	6.67	1,091
341	Transportation Equipment	162,883	16.67	31,223
343	Tools, Shop and Garage Equipment	11,600	14.29	713
344	Laboratory Equipment	22,102	14.29	1,637
345	Power Operated Equipment	67,514	14.29	0
346	Communication Equipment	2,028	14.29	145
347	Miscellaneous Equipment	156,584	14.29	5,694
348	Other Tangible Plant Rounding	1		
	<b>TOTALS</b>	<b>27,376,966</b>		<b>987,101</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	178,106	132,326
134	Working Funds		
135	Temporary Cash Investments	4,800	4,871
141	Customer Accounts Receivable	690,457	828,734
146	Notes/Receivables from Associated Companies	6,773	39,497
151	Plant Material and Supplies		
162	Prepayments	92,182	108,647
174	Miscellaneous Current and Accrued Assets	508,073	516,722
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>1,480,391</b>	<b>1,630,797</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	26,525,488	27,376,966
103	Property Held for Future Use		
105	Construction Work in Progress	31,663	353,284
108	Accumulated Depreciation – Utility Plant	(8,150,270)	(8,998,368)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>18,406,881</b>	<b>18,731,882</b>
	<b>TOTAL ASSETS</b>	<b>19,887,272</b>	<b>20,362,679</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	318,781	200,625
232	Notes Payable (Current Portion)	228,543	765,430
234	Notes/Accounts Payable to Associated Companies	818,833	718,161
235	Customer Deposits	157,800	173,468
236	Accrued Taxes	129,950	160,147
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	23,845	24,666
	<b>TOTAL CURRENT LIABILITIES</b>	1,677,752	2,042,497
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	4,665,972	4,449,852
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	5,785,199	6,020,823
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	4,317,488	4,395,092
272	Less: Amortization of Contributions	(1,562,584)	(1,649,797)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	8,540,103	8,766,118
	<b>TOTAL LIABILITIES</b>	14,883,827	15,258,467
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	1,000,000	1,000,000
211	Paid in Capital in Excess of Par Value	1,598,464	130,180
215	Retained Earnings	2,404,981	3,974,032
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	5,003,445	5,104,212
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>19,887,272</b>	<b>20,362,679</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	5,273,187	5,571,770
460	Unmetered Water Revenue		
474	Other Water Revenues	216,699	153,047
	<b>TOTAL REVENUES</b>	<b>5,489,886</b>	<b>5,724,817</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	1,003,937	1,035,840
610	Purchased Water	485,037	508,700
615	Purchased Power	341,336	414,789
618	Chemicals	167,794	136,937
620	Repairs and Maintenance	167,630	115,606
621	Office Supplies and Expense	72,826	76,634
630	Outside Services	640,484	35,095
635	Water Testing	30,567	45,675
641	Rents	21,425	22,668
650	Transportation Expenses	102,455	75,869
657	Insurance – General Liability	16,521	22,580
659	Insurance - Health and Life	103,291	151,954
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	41,714	51,429
403	Depreciation Expense	980,996	899,889*
*408	Taxes Other Than Income	1,065	99
408.11	Property Taxes	259,973	243,553
409	Income Tax	45	
	<b>TOTAL OPERATING EXPENSES</b>	<b>4,437,096</b>	<b>3,837,317</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>1,052,790</b>	<b>1,887,500</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	409	25,018
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	(599)	(1,977)
427	Interest Expense	(358,566)	(341,489)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>(358,756)</b>	<b>(318,448)</b>
	<b>NET INCOME/(LOSS)</b>	<b>694,034</b>	<b>1,569,052</b>
	*Depreciation 987,102		
	Amortization Ciac (87,213)		
	Depreciation, Net 899,889		



**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	10/15/99			
Source of Loan	WIFA			
ACC Decision No.	61713			
Reason for Loan	Treatment and Storage			
Dollar Amount Issued	6,000,000			
Amount Outstanding	4,684,515			
Date of Maturity	3/15/2020			
Interest Rate	5.81%	%	%	%
Current Year Interest	279,426			
Current Year Principle	210,000			

Meter Deposit Balance at Test Year End 90,997

Meter Deposits Refunded During the Test Year 14,544

<b>COMPANY NAME</b>	<b>Far West Water &amp; Sewer, Inc. (Water) 12-31-2006</b>
<b>Name of System</b>	<b>ADEQ Public Water System Number 14-004</b>

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
See Attachment A						

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
Surface Water – Canal A	4,650	1,556,392

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
See Attachment B		834	

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
See Attachment C		None	

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

<b>COMPANY NAME</b>	<b>Far West Water &amp; Sewer, Inc. (Water) 12-31-2006</b>
<b>Name of System</b>	<b>ADEQ Public Water System Number 14-004</b>

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

<b>MAINS</b>		
<b>Size (in inches)</b>	<b>Material</b>	<b>Length (in feet)</b>
2		
3		
4	PVC	95,040
5		
6	PVC	972,850
8	PVC	577,295
10	PVC	93,780
12	PVC	190,350

<b>CUSTOMER METERS</b>	
<b>Size (in inches)</b>	<b>Quantity</b>
5/8 X 3/4	16,929
3/4	
1	79
1 1/2	12
2	152
<b>Comp. 3</b>	
<b>Turbo 3</b>	7
<b>Comp. 4</b>	
<b>Tubo 4</b>	2
<b>Comp. 6</b>	
<b>Tubo 6</b>	7

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:**

3 EA. MTV SAND FILTERS, 3 EA. CHLORINE PUMPS, 3 EA. ALUM PUMPS, 5 EA. POLYMER PUMPS, 3 EA. RAW WATER PUMPS, 3 EA. FINISHED WATER PUMPS, 2 EA. BACKWASH PUMPS, 3 EA. DECANT PUMPS, 2 EA. SLUDGE PUMPS, 3 EA. AIR BLOWERS, 2 EA. CHLORINE ANALYZERS, 2 EA. PH ANALYZERS, 5 EA. TURBIDITY METERS.

**STRUCTURES:**

WATER TREATMENT PLANT, DISTRIBUTION SHOP BUILDING, 6 WATER BOOSTER STATIONS.

**OTHER:**

VARIOUS LAB EQUIPMENT

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME:</b> Far West Water & Sewer, Inc. (Water) 12-31-2006	
<b>Name of System</b>	<b>ADEQ Public Water System Number 14-004</b>

### **WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006**

<b>MONTH/YEAR</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>	<b>GALLONS PURCHASED (Thousands)</b>
<b>JANUARY</b>	15,167	110,961	134,506	146,650
<b>FEBRUARY</b>	15,295	126,452	129,229	138,183
<b>MARCH</b>	15,064	151,430	135,218	143,271
<b>APRIL</b>	14,716	129,166	136,412	147,275
<b>MAY</b>	12,999	132,813	151,305	159,907
<b>JUNE</b>	12,868	180,398	115,618	124,841
<b>JULY</b>	12,684	156,821	110,458	119,601
<b>AUGUST</b>	12,602	161,683	113,556	120,140
<b>SEPTEMBER</b>	12,782	183,906	124,774	140,018
<b>OCTOBER</b>	13,784	39,070	147,518	159,306
<b>NOVEMBER</b>	13,784	195,747	113,004	123,824
<b>DECEMBER</b>	14,930	153,123	30,800	33,376
<b>TOTALS →</b>		<b>1,721,570</b>	<b>1,442,398</b>	<b>1,556,392</b>

**What is the level of arsenic for each well on your system? See Attachment D**

*(If more than one well, please list each separately.)*

**If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs**

**If system has chlorination treatment, does this treatment system chlorinate continuously?**

**( X ) Yes                      ( ) No**

**Is the Water Utility located in an ADWR Active Management Area (AMA)?**

**( ) Yes                      ( X ) No**

**Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?**

**( ) Yes                      ( X ) No**

**If yes, provide the GPCPD amount: N/A**

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME\_ Far West Water & Sewer, Inc. (Water) \_\_\_\_\_ YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \_\_\_\_\_ **251,773.76**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

RECEIVED

JUN 04 2007

AZ CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF AZ

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Debbie Smith, Account Controller</u>
COMPANY NAME	<u>Far West Water &amp; Sewer, Inc. (Water)</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

*Debbie Smith*  
SIGNATURE OF OWNER OR OFFICIAL

928-342-3344

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF may 31 2007

COUNTY NAME	<u>Yuma</u>	
MONTH	<u>may 31</u>	<u>2007</u>

MY COMMISSION EXPIRES

6-20-2009

SIGNATURE OF NOTARY PUBLIC

*Janmya S. Wright*  
*Janmya S. Wright*

**COMPANY NAME** \_ Far West Water & Sewer, Inc. (Water) \_\_\_\_\_ **YEAR ENDING 12/31/2006**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	_____ -0- _____
Estimated or Actual Federal Tax Liability	_____ -0- _____

State Taxable Income Reported	_____ -0- _____
Estimated or Actual State Tax Liability	_____ 45 _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	_____
Amount of Gross-Up Tax Collected	_____
Total Grossed-Up Contributions/Advances	_____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**PRINTED NAME**

\_\_\_\_\_  
**TITLE**

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

MAY 24 2007

AZ CORP COMM  
Director Utilities

**VERIFICATION**

**STATE OF Arizona**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)
Yuma
NAME (OWNER OR OFFICIAL) TITLE
Debbie Smith, Account Controller
COMPANY NAME
Far West Water & Sewer, Inc. (Water)

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 6,136,082.23

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 411,265.64  
IN SALES TAXES BILLED, OR COLLECTED)

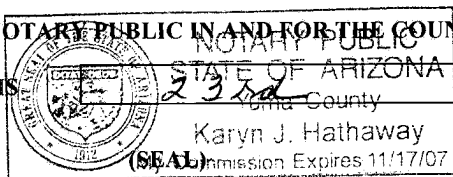
**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL  
928-342-3344  
TELEPHONE NUMBER

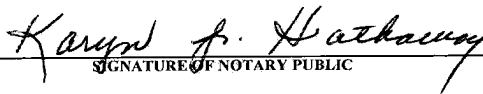
**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 23rd **DAY OF**



COUNTY NAME
Yuma
MONTH
May
20 07

  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES** 11-17-07



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

RECEIVED

MAY 24 2007

42 CORP COMM  
Director Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) Yuma	
NAME (OWNER OR OFFICIAL) Debbie Smith	TITLE Account Controller
COMPANY NAME Far West Water & Sewer, Inc. (Water)	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 5,240,727.30

THE AMOUNT IN BOX AT LEFT  
INCLUDES

\$ 351,254.81

IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

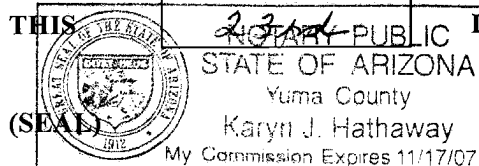
*Debbie Smith*  
SIGNATURE OF OWNER OR OFFICIAL

928-342-3344  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

THIS 23rd DAY OF



MY COMMISSION EXPIRES 11-17-07

NOTARY PUBLIC NAME KARYN J. HATHAWAY	
COUNTY NAME Yuma	
MONTH May	20 07

X *Karyn J. Hathaway*  
SIGNATURE OF NOTARY PUBLIC

# ATTACHMENT A 2006

FAR WEST WELL SYSTEM 2006												
WELL#	CODE#	DWR #	STATIC H2O LVL	DRAWDOWN	HP	GPM	SIZE	CASE	DEPTH	DRILLED	LOCATION	CONDITION
27	4-27-004	55-543192	176	35	75	400	12	STEEL	507	5/19/1994	MDS	ACTIVE
28	4-28-004	55-543193	163	34	75	400	12	STEEL	503	6/30/1994	MDS	ACTIVE
35	4-35-004	55-559652	155	52	150	800	16	STEEL	810	10/7/1996	MDS	ACTIVE
14	3-14-004	55-514224	186	15	20	185	8	PVC	265	10/5/1984	HHWY	ACTIVE
15	3-15-004	55-514221	200	20	10	80	8	PVC	260	10/10/1984	HHWY	NO PUMP
16	3-16-004	55-514223			10	110	8	PVC	260	10/18/1984	HHWY	ACTIVE
21	9-21-004	55-538052			15	75	10	PVC	270	3/9/1993	HHWY	NO PUMP
22	9-22-004	55-538053	165.5	24	25	180	10	PVC	260	3/11/1993	HHWY	NO PUMP
23	9-23-004	55-538054	175	25	20	150	10	PVC	260	3/16/1993	HHWY	ACTIVE
20	9-20-004	55-517795	183.5	13.5	25	180	8	PVC	280	5/13/1987	FWPS	NO PUMP
24	9-24-004	55-539876	198	28	25	250	10	PVC	315	3/14/1978	FWPS	ACTIVE
25	9-25-004	55-539877	193		30	270	10	PVC	320	8/4/1993	FWPS	ACTIVE
26	4-26-004	55-537274	197	10	30	270	10	PVC	303	4/5/1993	FWPS	PUMP STUCK
4	9-4-004	55-621469			25	225	10	STEEL	278	9/19/1972	FWPS	ACTIVE
5	9-5-004	55-621470	185	20	30	225	10	STEEL	280	9/21/1976	FWPS	NO PUMP
7	9-7-004	55-621471	197		30	280	8	STEEL	283	8/31/1976	FWPS	ACTIVE
8	9-8-004	55-621474			30	250	8	PVC	300	4/15/1981	FWPS	ACTIVE
36	4-36-004	55-562251	187	53	150	850	16	STEEL	950	Nov-97	FWPS	ACTIVE
29	4-29-004	55-544946	184	27	75	500	12	STEEL	520	8/16/1994	40TH ST	NO PUMP
30	4-30-004	55-544947	188	58	75	500	12	STEEL	490	8/29/1994	40TH ST	ACTIVE
18	9-18-004	55-511849	204	2	30	225	8	PVC	300	3/9/1975	40TH ST	ACTIVE

ATTACHMENT B

2006

Far West Water Booster Station Capacities						
Location		Type	HP	GPM	QTY On-Hand	
Far West Pump Station:		Paco	75	1000	5	
40th St Pump Station:		Paco	40	475	2	
44th St Pump Station:		Paco	75	1000	3	
Hank's Hwy Pump Station:		Paco	40	475	2	
		Paco	60	875	1	
FHN Pump Station:		Paco	30	350	1	
		Paco	20	200	1	
MDS Pump Station:		Paco	75	1000	5	

ATTACHMENT C

**Far West Water Storage Tanks**

*2006*

1. 44 <sup>th</sup> Street		
Height: 24ft	Diameter: 150ft	3,000,000 gal
2. 40 <sup>th</sup> Street		
Height: 33ft	Diameter: 30ft	170,000 gal
3. Far West Avenue		
a. Height: 20ft	Diameter: 65ft	490,000 gal
b. Height: 20ft	Diameter: 93ft	1,000,000 gal
4. Hanks Highway		
Height: 31ft	Diameter: 40ft	290,000 gal
5. Foothills North		
Height: 16ft	Diameter: 24ft	54,000 gal
6. Mesa Del Sol		
Height: 16ft	Diameter: 105ft	1,000,000 gal
7. 52 <sup>nd</sup> Street		
Height: 20ft	Diameter: 30ft	100,000 gal
Total Storage Capability:		6,104,000 gal

**ATTACHEMENT      D**

**Arsenic levels for POE's substituted for individual wells as individual data unavailable at this time.**

<b>POE 001</b>	<b>.0052mg/L</b>	<b>arsenic</b>
<b>POE 002</b>	<b>.0045mg/L</b>	<b>arsenic</b>
<b>POE 004</b>	<b>.0043mg/L</b>	<b>arsenic</b>
<b>POE 005</b>	<b>.0063mg/L</b>	<b>arsenic</b>

FOR SECURITY PURPOSES, THE BORDER OF THIS DOCUMENT CONTAINS MICROPRINTING

**FAR WEST WATER & SEWER INC.**

12486 FOOTHILLS BLVD.  
YUMA, AZ 85367  
(520) 342-1238

THE FOOTHILLS BANK  
11689 S. Foothills Blvd.  
Yuma, AZ 85367

91-563/1221

DATE

Apr 19, 06

CHECK NO.

22712

022712

----- One Hundred Twenty Nine Thousand, Nine Hundred Fifty ----- .14 Dollars

\$ 129,950.14

PAY  
TO THE  
ORDER OF

KAREN FRITZ  
COUNTY TREASURER  
410 MAIDEN LN STE C  
YUMA, AZ 85364

*Lucy Thomas*

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

⑈022712⑈ ⑆122105634⑆

⑈0000401015⑈

⑈0012995014⑈

ST

BANK OF AMERICA, NA LAC  
122000661 E3275 99 16  
04/24/06

406468715 4405 4405 04-24-06

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AMERICAN CABLE BANK, NA  
FORT WORTH, TX 84212006  
1119013314

3340061941

6029

13823

2004 1574  
PAY TO THE ORDER OF  
BANK ONE, ARIZONA, NA

042106

FOR DEPOSIT ONLY  
YUMA COUNTY  
TREASURER

\*122000166\*  
11/02/2006  
6122031217

This is a LEGAL COPY of  
Your check. You can use it  
the same way you would  
use the original check.

[074909962] 11/01/2006  
004810577510

⑈023662⑈

⑈122105634⑈

0000401015⑈

⑈0012182362⑈

THE FRONT SIDE OF THIS CHECK MUST REMAIN UNALTERED AS IT IS A WATERMARK. PHOTO AND ARCHIVE TO 11/01/06

<b>FAR WEST WATER &amp; SEWER INC.</b>		<b>023662</b>	
12466 FOOTHILLS BLVD. YUMA, AZ 85367 (928) 348-1238		THE FOOTHILLS BANK 11669 S. FOOTHILLS BLVD. YUMA, AZ 85367 91-669/1221	
PAY TO THE ORDER OF KAREN FRITZ COUNTY TREASURER 410 MAIDEN LN STE C YUMA, AZ 85364		DATE Nov 01, 06	CHECK NO. 23662
One Hundred Twenty One Thousand, Eight Hundred Twenty Three --		AMOUNT \$ 121,823.62	
_____ Dusty V. Fritzen			



**THE**

4405 4405 12 11-02-06

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~~Yuma County Treasurer 20842574~~

↓ Do not endorse or write below this line. ↓

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9002/20/77 \*997000227\*